

Wisconsin Department of Transportation

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May 2, 2011

ENTERED
Office of Proceedings

MAY 16 2011

Part of
Public Record



Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20024

RE: STB Finance Docket No. 35476

Wisconsin Central Ltd. - Intra-Corporate Family Merger Exemption - Duluth, Missabe
and Iron Range Railway Company, and Duluth, Winnipeg and Pacific Railway Company

Dear Ms. Brown:

Wisconsin Department of Transportation is the state rail agency. Enclosed for filing are the Wisconsin Department of Transportation's ("WisDOT's") Notice of Intent to Participate on the above listed Docket, and WisDOT's Comments.

Please include the following on the service list for the proceeding:

Wisconsin Department of Transportation
Kathleen Chung, Office of General Counsel
4802 Sheboygan Avenue, Room 115B
P.O. Box 7910
Madison, WI 53707-7910
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kathleen.chung@dot.wi.gov

Please date stamp and return a duplicate copy of this letter in the prepaid, return mail envelope for verification of receipt. Thank you.

Sincerely,

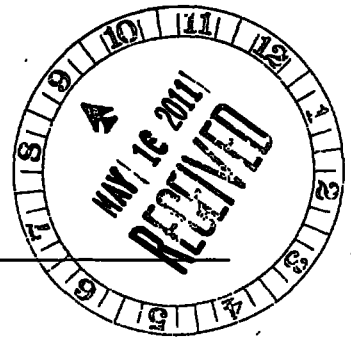


Kathleen Chung
Attorney

Enclosures

cc: Secretary Mark Gottlieb, P.E., WisDOT
Congressman Reid Ribble
Congressman Tom Petri
Congressman Sean Duffy
State Representative Al-Ott
Mayor Justin M. Nickels, Manitowoc, WI
R.J. Pirlot, WI Public Service Commission
Ron Adams, WisDOT
Frank Huntington, WisDOT
Attorney Thomas J. Litwiler
Attorney Theodore Kalick
Attorney John Varda
Sean Finn, CN

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 35476

WISCONSIN CENTRAL LTD.
-- INTRA-CORPORATE FAMILY MERGER EXEMPTION --
DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY AND
DULUTH, WINNIPEG AND PACIFIC RAILWAY COMPANY

WISCONSIN DEPARTMENT OF TRANSPORTATION

NOTICE OF INTENT TO PARTICIPATE AS A PARTY OF RECORD

The Wisconsin Department of Transportation hereby submits its Notice of Intent to Participate as a Party of Record in the above-referenced proceeding. The Wisconsin Department of Transportation requests that Kathleen Chung be added to the service list, and receive copies of all motions, pleadings, correspondence, and other filings made in connection with the above-referenced proceeding.

Respectfully Submitted,

ENTERED
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Kathleen Chung

Kathleen Chung, Attorney
Wisconsin Department of Transportation
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DATED: May 2, 2011

BEFORE THE SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 35476

WISCONSIN CENTRAL LTD.
-- INTRA-CORPORATE FAMILY MERGER EXEMPTION --
DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY AND DULUTH,
WINNIPEG AND PACIFIC RAILWAY COMPANY

COMMENTS
BY WISCONSIN DEPARTMENT OF TRANSPORTATION

The Wisconsin Department of Transportation ("WisDOT") recognizes the efforts of the Wisconsin Central Ltd. ("WCL") and other Railway Companies involved to improve operational efficiency. We respectfully note, however, that WCL's representation that the transaction "will not adversely affect the level of any existing rail service" has been made before, and WisDOT is hopeful that the instant commitment is more successfully fulfilled.

The Wisconsin Department of Transportation ("WisDOT") is a governmental entity. WisDOT is the designated state agency in rail matters in the State of Wisconsin. 49 U.S.C. Appx. § 1654(a) (formerly § 1654(j)), 49 C.F.R. § 266.1 and Ch. 85, Wis. Stats. As part of its mission, WisDOT seeks to facilitate rail service and shipping to and from Wisconsin shippers, including those located along the lines of the former Wisconsin Central System ("WC System"). WisDOT has been monitoring rail traffic originating from and terminating on what was the WC System, and has received information from shippers and shippers' representatives regarding their rail service along these rail lines.

WisDOT does not oppose this exemption, and does not seek a stay in this proceeding. WisDOT does encourage WCL, CNR and its related entities to continue efforts to provide service to shippers that is as good or better than the service provided before WCL was acquired

by the Canadian National Railway Company ("CNR") in 2001 as was represented in Finance Docket 34000.

As part of CNR's petition for control of WC in 2001, CNR's then Chief Executive Officer Paul M. Tellier stated that:

[CNR] plan[s] to operate WC as the sixth division of the CN system in order to preserve local characteristics . . . as much as possible while securing the benefits of system integration. Among other things, this will assure that customers on the WC's relatively low-density lines will continue to receive the quality of service they have come to expect from WC. [CNR has] provided a Service Assurance Plan that [CNR is] confident will assure customers that service levels for each of them will be as good or better than current levels.

STB Finance Docket No. 34000, Canadian National – Control – Wisconsin Central, Verified Statement of Paul M. Tellier, Canadian National's Chief Executive Officer, p. 2, April 6, 2001.

In WisDOT's comments on CNR control of EJ&E West Company filed on January 28, 2008, WisDOT expressed its concern for the "decrease in originating traffic and flat line volume of terminating traffic at CN's Wisconsin stations has occurred at the same time that the Wisconsin portion of the economy dependent upon transportation services has grown." See STB Finance Docket No. 35087, Canadian National Railway Company and Grand Trunk Corporation – Control – EJ&E West Company, WisDOT Comments p. 2, January 28, 2008.

The Board responded in its decision granting control that it took "seriously DATCP (Wisconsin Department of Agriculture Trade and Consumer Protection) and WisDOT's concerns regarding rail service. Pursuant to the operational monitoring condition and oversight period established in this decision, the Board will monitor and address any diminution in service resulting from the control transaction." See STB Finance Docket No. 35087, Canadian National Railway Company and Grand Trunk Corporation – Control – EJ&E West Company, Decision No. 16, pp. 20-21, Service Date December 24, 2008.

WisDOT continues to receive information from Wisconsin shippers and representatives indicating that concerns remain over WCL's current level of service compared to the level that existed before CNR was granted control in 2001, and since the opening of the Port of Prince Rupert Container Terminal and the EJE transaction.

WisDOT hopes that the concerns expressed in WC Group's Petition for Revocation of the Exemption in this Docket, filed April 29, 2011, are cooperatively and satisfactorily addressed by the new WCL and CNR as they move forward with their transaction.

In addition, WisDOT encourages the Board to ensure that the commitments stated in STB Finance Docket No. 34000 and Finance Docket No. 35087 are incorporated into the approval of this docket.

Respectfully Submitted,



Kathleen Chung, Attorney
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